

## Message Text

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43

ORIGIN EB-07

INFO OCT-01 AF-06 ARA-06 EUR-12 EA-06 NEA-09 ISO-00 SSO-00

NSCE-00 USIE-00 INRE-00 AEC-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 FEAE-00 FPC-01 H-01 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-01 TRSE-00 FRB-03 PA-01 PRS-01 AECE-00

IO-10 /121 R

66605

DRAFTED BY EB/ORF/FSE:SWBOSWORTH

APPROVED BY EB THOMAS O. ENDERS

S-MR. EAGLEBURGER

S/S MR. LUERS

NSC-MR. JANKA

----- 037313

O 141644Z FEB 75

FM SECSTATE WASHDC

TO AMEMBASSY ABU DHABI IMMEDIATE

AMEMBASSY ALGIERS IMMEDIATE

AMEMBASSY ANKARA IMMEDIATE

USINT BAGHDAD IMMEDIATE

AMEMBASSY BERN IMMEDIATE

AMEMBASSY BONN IMMEDIATE

AMEMBASSY DUBLIN IMMEDIATE

AMEMBASSY BRUSSELS IMMEDIATE

AMEMBASSY COPENHAGEN IMMEDIATE

AMEMBASSY CARACAS IMMEDIATE

AMEMBASSY JAKARTA IMMEDIATE

AMEMBASSY JIDDA IMMEDIATE

AMEMBASSY KUWAIT IMMEDIATE

AMEMBASSY LONDON IMMEDIATE

AMEMBASSY LUXEMBOURG IMMEDIATE

AMEMBASSY LAGOS IMMEDIATE

AMEMBASSY LIBREVILLE IMMEDIATE

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AMEMBASSY MADRID IMMEDIATE

AMEMBASSY OTTAWA IMMEDIATE  
AMEMBASSY QUITO IMMEDIATE  
AMEMBASSY ROME IMMEDIATE  
AMEMBASSY STOCKHOLM IMMEDIATE  
AMEMBASSY TEHRAN IMMEDIATE  
AMEMBASSY THE HAGUE IMMEDIATE  
AMEMBASSY TOKYO IMMEDIATE  
AMEMBASSY TRIPOLI IMMEDIATE  
AMEMBASSY VIENNA IMMEDIATE  
INFO AMEMBASSY OSLO IMMEDIATE  
AMEMBASSY WELLINGTON IMMEDIATE  
USMISSION OECD PARIS IMMEDIATE

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E.O. 11652: N/A

TAGS: ENRG

SUBJECT: USG POLICY ON ENERGY PRICE STABILIZATION

1. NEWSWEEK MAGAZINE FEBRUARY 17 EDITION CARRIED ARTICLE RAISING QUESTION AS TO WHETHER PROPOSAL FOR COMMON LEVEL OF PRICE PROTECTION, WHICH WOULD ENCOURAGE INVESTMENT IN CONVENTIONAL NUCLEAR AND FOSSIL FUEL SOURCES, AS ADVANCED BY SECRETARY KISSINGER IN HIS FEBRUARY 5 SPEECH, WAS IN FACT ADMINISTRATION POLICY. ADDRESSEE POSTS SHOULD NOTE THAT THE SECRETARY'S SPEECH WAS A CLEAR STATEMENT OF THE PRESIDENT'S POLICY. FOLLOWING IS TEXT OF STATEMENT ON THIS SUBJECT APPROVED FOR USE BY WHITE HOUSE SPOKESMAN FEBRUARY 13. YOU SHOULD DRAW ON THIS STATEMENT, AND THE ABOVE, AS REQUIRED TO ANSWER ANY QUESTIONS YOU MAY RECEIVE REGARDING STATUS OF PRICE STABILIZATION PROPOSAL.

QUOTE: AS PART OF THE PRESIDENT'S OVERALL ENERGY PROGRAM IT WAS DECIDED THAT A SUBSTANTIAL UNCERTAINTY WITH RESPECT TO WORLD OIL PRICES COULD JEOPARDIZE OUR DRIVE FOR DOMESTIC ENERGY INDEPENDENCE. THEREFORE, AS PART OF THE PRESIDENT'S OMNIBUS ENERGY BILL, SPECIFIC AUTHORITIES WERE REQUESTED WHICH WOULD REQUIRE THE PRESIDENT TO PROVIDE DOMESTIC PRICE STABILITY IN THE EVENT OF A MAJOR WORLD OIL PRICE DISRUPTION.  
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TION. THESE AUTHORITIES PROVIDED FOR THE USE OF EITHER TARIFFS, QUOTAS OR PRICE FLOORS TO PROTECT THE DOMESTIC ENERGY INDUSTRIES. BEFORE THE PRESIDENT WILL MAKE A FINAL DECISION WITH RESPECT TO THE MECHANISMS, TIMING, OR LEVEL OF SUCH A PROGRAM HE REQUESTED THAT TWO TASKS BE UNDERTAKEN: 1. THE SECRETARY OF STATE WOULD DISCUSS THE PRICE STABILIZATION CONCEPT WITH THE CONSUMING NATIONS AND DEVELOP A FURTHER UNDERSTANDING OF THEIR RECEPTIVITY

TO THE PROPOSAL. 2. FEA WOULD UNDERTAKE ADDITIONAL  
ANALYSES WITH RESPECT TO THE MECHANISMS AND LEVEL OF  
SUCH A PRICE FLOOR AND ITS DOMESTIC ENERGY IMPACT. IN  
THIS REGARD THE SPEECH WHICH THE PRESIDENT REQUESTED THE  
SECRETARY OF STATE TO MAKE BEFORE THE WASHINGTON PRESS  
CLUB FULLY REPRESENTS THE ADMINISTRATION'S POSITION ON  
THIS SUBJECT. INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, FOREIGN POLICY POSITION, PRICE STABILITY  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** SWBOSWORTH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Legacy Key:** link1975/newtext/t19750240/aaaabkae.tel  
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**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <04 APR 2003 by BoyleJA>; APPROVED <19 MAY 2003 by MorefiRH>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** USG POLICY ON ENERGY PRICE STABILIZATION  
**TAGS:** ENRG, US  
**To:** ABU DHABI MULTIPLE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006